



## Office of Congressman Tom Perriello

308 Craghead Street  
Danville, VA 24541  
Phone: (434) 791-2596  
Fax: (434) 791-2598

# “How To” Manual on Trade Adjustment Assistance in the American Recovery and Reinvestment Act

The American Recovery and Reinvestment Act of 2009 (ARRA) overhauls the Trade Adjustment Assistance (TAA) programs and expands TAA coverage to more workers and firms, including workers and firms in the service sector and improves workers’ training opportunities and opportunities for health insurance coverage. It also improves the TAA for Farmers program to better assist trade-impacted farmers and fisherman and creates a TAA for Communities grant program to assist communities impacted by trade. These reforms go into effect on May 18, 2009. This document provides information on accessing these programs.

### TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

#### *Process for Obtaining Benefits*

- **Step One – Group Qualification by the U.S. Department of Labor.** A group of workers at a trade impacted company, the company, union or other representative of a workers’ group at the company or other entities (such as a State employment security agency or local One-Stop Career Centers) must file a petition with the U.S. Department of Labor (DOL). The ARRA did not change this process. Information on the contents of the petition and how to receive assistance in filing the petition can be found at DOL’s website, <http://www.doleta.gov/tradeact/petitions.cfm#1>, which will be updated shortly to address changes to the TAA for Workers program made by the ARRA.

DOL will then investigate the petition to determine: (1) whether a significant number or proportion of workers at the company have become or are threatened to become totally or partially laid off; and (2) whether trade (either through increased import competition, shifting of company activities overseas or the contracting by the company with overseas producers or service providers) was a factor in the layoffs or threatened layoffs.

Under the ARRA, service sector workers and an expanded pool of manufacturing workers are now eligible for DOL group certification to apply for TAA. In addition, certain workers at companies covered by an injury determination in a trade remedy case (*i.e.*, an anti-dumping, countervailing duty case, a global safeguard action or a China safeguard action) automatically qualify for TAA assistance for a specified period of time.

- **Step Two – Individual Worker Qualification by State Agencies.** Once DOL approves a petition for group eligibility for TAA, a worker covered by the petition must then apply individually through State workforce agencies or through local One Stop Career Centers to obtain TAA benefits. A list of State TAA Administrators can be found at <http://www.doleta.gov/tradeact/contacts.cfm>.

## ***Benefits Available to TAA Eligible Workers***

- **TAA Funded Training.** To get retrained, TAA eligible workers may receive up to 156 weeks of TAA-funded training, including vocational training and assistance in obtaining a two- or four-year college degree.<sup>1</sup> Some workers may also be eligible to start TAA training programs prior to being laid off from trade-impacted employment.
- **Extended Income Support (Trade Readjustment Allowances).** To facilitate participation in training, TAA eligible workers may be eligible to receive up to 156 weeks of income support, including Trade Readjustment Allowances (TRA), which consists of TAA-funded weekly payments of unemployment compensation beyond regular unemployment compensation. Some TAA eligible workers may be eligible for TRA without enrolling in training.
- **Job Search, Training and Career Counseling Services.** TAA eligible workers are entitled to receive in-depth job search counseling, career counseling and training counseling, as well as other career services.
- **Job Search and Relocation Allowances.** TAA eligible workers may apply for allowances in an amount up to \$1,500 to reimburse 100 percent of the expenses they incur in searching for new jobs outside their commuting area, up to \$1,500. They may also apply for allowances in an amount equal to 100 percent of the expenses they incur relocating to new jobs outside their current commuting area and an additional lump sum payment for relocation of up to \$1,500.
- **Wage Insurance Benefit (Reemployment Trade Adjustment Assistance).** Eligible TAA workers older than 50 may apply for wage insurance payments in the form of Reemployment Trade Adjustment Assistance (RTAA), where the participant obtains a new job at a lower wage than the participant's previous job. RTAA provides a subsidy of up to \$12,000 per eligible worker for a period not to exceed two years. Workers who receive RTAA are also eligible to apply for TAA funded training, but are not eligible to receive TRA beyond the RTAA.
- **Assistance with Health Care Insurance Coverage.** TAA eligible workers may receive the health coverage tax credit (HCTC), which subsidizes payments of health care insurance premiums through a tax credit. Under the HCTC, participants are eligible for an 80 percent subsidy to assist with qualified insurance premiums. The HCTC is administered by the Internal Revenue Service (IRS). Useful information may be found on its website: <http://www.irs.gov/individuals/article/0,,id=187948,00.html>, which will be updated shortly to address changes to the HCTC made by the ARRA.

## **TRADE ADJUSTMENT ASSISTANCE FOR COMMUNITIES**

### ***Process for Obtaining Benefits***

- A community can apply to the Secretary of Commerce for designation as a community affected by trade. To obtain such a designation, a group of workers, a firm or a group of agricultural producers in the community must be certified for TAA benefits and the Secretary must also determine that the community is "significantly affected" by the threat to, or the loss of, jobs associated with the TAA certification(s).

### *Benefits Provided*

- **Technical Assistance.** The Secretary of Commerce must assist a community affected by trade to (1) diversify and strengthen its economy; (2) identify impediments to economic development that result from the impact of trade; and (3) develop a community strategic plan to address economic adjustment and workforce dislocation in the community.
- **Assistance Identifying Federal Resources.** The Secretary of Commerce must identify Federal, State and local resources available to assist the community and ensure that Federal assistance is delivered in a targeted, integrated manner. The Secretary must also establish an Interagency Community Assistance Working Group to assist in coordinating the Federal response.
- **75 percent of the Cost of Developing a Community Strategic Plan.** Communities affected by trade are eligible for reimbursement of up to 75 percent of the cost of developing a strategic plan for the community's economic adjustment.
- **\$5 Million to Implement a Community Strategic Plan.** Communities affected by trade are eligible for up to \$5 million to implement a project included in the community's strategic plan. Priority shall be given to grant applications submitted by small and medium-sized communities.<sup>7</sup>

### COMMUNITY COLLEGE AND CAREER TRAINING GRANTS

#### *Process for Obtaining Benefits*

Educational institutions may apply for Community College and Career Training grants from the Secretary of Labor.

Grant proposals must include information regarding (1) the manner in which the grant will be used to develop or improve an education or training program suited to workers eligible for the TAA for Workers program; (2) the extent to which the program will meet the needs of the workers in the community; (3) the extent to which the proposal fits into a community's strategic plan or relates to a Sector Partnership Grant received by the community; and (4) any previous experience of the institution in providing programs to workers eligible for TAA.

#### *Benefits Provided*

- **Grants of up to \$1 million.** Educational institutions are eligible for grants of up to \$1 million to implement their grant proposals.

###